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# THE HINDU BusinessLine

## Tea production up 4.51% in H1

India's tea production in the first half of the current calendar year has increased by 4.51 per cent over the same period of 2016.

"Tea Board has now released the data for June which shows a decline of 2.81 per cent in the country's production to 143.02 million kg (mkg) essentially because of 4.70 per cent fall in North India to total 116.40 mkg.

"South Indian production has increased by 6.44 per cent to reach 26.62 mkg.", Rajesh Gupta, compiler of annual Global Tea Digest, told BusinessLine.

However, helped by higher production in earlier months, the overall output in the first half has posted an increase in both North and South India.

"Our compilation shows that the country's production in the first half of the current calendar year has increased to 443.15 mkg from 424.04 mkg", Gupta said.

(This article was published on August 3, 2017)

## Inter-ministerial group on onions to consider floor price, if needed



Onion prices have shot up. Retail prices of onion have risen to over ₹18 to 25 a kg The spike is being attributed to supply disruptions on account of monsoon rains - Photo: Kamal Narang  
Officials say the situation so far not alarming but MEP may be required if prices surge

With onion prices starting to rise across States, the government is keeping a close watch on exports in order to intervene at the first sign of trouble.

The inter-ministerial group on onions, comprising officials from the ministries of Commerce, Agriculture and Consumer Affairs and Public Distribution, which met recently, has not found any ground yet to impose a Minimum Export Price (MEP), but the situation may change if prices rise further.

“We are looking at onion export figures. It is not very alarming. Last month, it was about 80,000 tonnes which on a month-on-month comparison is not very high. But, if there is a requirement for MEP, it will be considered,” a government official told *BusinessLine*.

The official added that the IMG had not yet received any suggestions for imposing MEP.

Onion prices have recently started rising, following months of slump, largely due to the Madhya Pradesh government’s decision to procure 2 lakh tonnes of the bulb and also the excessive rainfall in Gujarat affecting supplies from the State.

### **MP, Gujarat factors**

At the Lasalgaon market in Maharashtra, prices have doubled from ₹700 to ₹1,400 a quintal in about ten days. This is mainly because demand from the State has increased due to fall in availability in MP and rain-affected Gujarat and Rajasthan.

While the prices are likely to be corrected in September once the new crop arrives in the market, the government cannot afford to be negligent on exports.

“Onions are not like tomatoes where prices do not have much correlation with exports. Since about 8-10 per cent of our onions get exported, domestic prices can be influenced by encouraging or checking exports,” the official said.

The Centre had imposed MEP on onions in 2014 to discourage exports and check steep rise in prices and had started lowering it the following year when the situation improved. The MEP was completely withdrawn in December 2015 following which exports of onions from the country increased substantially.

Exports in value terms rose 25 per cent to \$472.73 million in 2015-16 compared to \$376.56 million in 2014-15. In 2016-17 too, the levels reached the previous year were mostly maintained with shipments valued at \$462.94 million.

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ven helps cart their produce!



e-RaKAM initiative from public sector firms MSTC and CRWC axes middlemen

Two public sector firms have come together to sow the seeds of a technology initiative that will help farmers command better prices for their produce and bypass unscrupulous middlemen.

Distinctly different from other digital initiatives, the [new e-auction portal, e-RaKAM](#), launched jointly by the Kolkata-based MSTC Ltd and Central Railside Warehousing Company (CRWC) Ltd, in New Delhi, will not only help farmers get reasonable price for their produce, but also save them the effort of carting the produce to the mandi.

CWRC, a subsidiary of the Central Warehousing Corporation Ltd, will provide logistics support for sellers and buyers in case they need it.

The initiative builds on MSTC's earlier experience in providing support to farmers in the North-Eastern States to sell their produce in other parts of the country.

“Our office in Guwahati has been helping farmers’ cooperatives in the North-East sell produce like ginger, pineapple, hill grass and black pepper during the past one year,” said MSTC Chairman and Managing Director BB Singh.

### **Talks with retailers**

“We are in talks with fruits and vegetable retailers like Mother Dairy and Grofers and are encouraging them to participate in our e-auction to procure fruits and vegetables from the North-East. Some of them have shown interest,” Singh said. “We are confident that we can

eliminate many layers of middlemen through this online auction process and thus help deliver better price to farmers for their produce,” he said.

The challenge, however, is that vendors want the produce to be delivered to their retail shops in different parts of a city or region.

That requires micro-managing of logistics, he said.

For instance, Mother Dairy was keen to bid in an e-auction for pineapples from the North-East, but wanted them delivered at its 150 outlets across Delhi, Singh added.

### **Other auction plans**

Apart from perishable commodities, e-RaKAM plans to get into online auction of other agricultural produce like cereals, pulses and oilseeds. “In fact, our maiden e-auction – which is still to get final approval – was for pulses that are lying in the warehouses of NAFED. NAFED has a total of 20 lakh tonnes of pulses to be sold off. For a start, we have been able to auction a small quantity of pulses,” Singh said. “This is the first-ever widespread e-market platform for Indian farmers, who have been trapped in a vicious cycle of intermediaries and low margin,” said CRWC Managing Director KU Thankachen. Talks were on with various State governments that have shown an interest in transferring a part of their procurement to e-RaKAM, he said.

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### **Handholding scheme for agri entrepreneurs**

There is now help on hand for those who have a farm-related idea that can be turned into an innovative and profitable business proposition.

The Hyderabad-based ICAR-National Academy of Agricultural Research Management (NAARM) has announced the launch of a second edition of a food and agribusiness accelerator programme for incubating and mentoring selected agri startups.

Called Agri Udaan, it will be managed by ICAR-NAARM’s technology incubator, a-IDEA along with IIM Ahmedabad’s Centre for Innovation.

“Anybody from an innovative farmer to agricultural graduate to a person with minimal educational qualification can apply for the scheme called Agri Udaan, provided he or she has a powerful idea that can turn them into an agri-based entrepreneur,” said Narendra Singh Rathore, Deputy Director General of ICAR, here on Thursday. As part of Agri-Udaan, road shows will be conducted in six cities, including Chandigarh, Pune, Kolkata and Bengaluru to reach out to agri startups through August and September. Eight to 12 startups that will be selected eventually will be mentored and guided to scale up their operations.

The entrepreneurs will get to spend 6 months at the ICAR-NAARM's Hyderabad campus where they will be trained in different aspects of technology commercialisation, product validation, business plan preparation and fund raising, among other things. The accelerator programme is funded mainly through the Department of Science and Technology.

K Srinivas, CEO of a-IDEA, said three startups that were chosen as part of the earlier Agri Udaan in 2015 are doing very well and they have been able to go to the next level of business and have been able to raise additional funds subsequently.

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